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House Appropriations
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Montana Public Employee Retirement Administration

HB 693 – Create Volunteer EMT Retirement System

Sponsor – Representative Bob Bergren

The Public Employees' Retirement Board (PERB) acknowledges this commendable attempt to provide retirement benefits for volunteer emergency medical technicians (EMTs); however, the PERB respectfully opposes this legislation.

- ❖ This proposal is modeled after the current Volunteer Firefighters' Compensation Act (VFCA). The VFCA was established in 1965. There are a number of issues with this statute that should not be duplicated when establishing a new plan.
- ❖ EMTs who currently volunteer with volunteer fire departments are receiving credit under the VFCA.
- ❖ The VFCA would appear to be the best plan – due to similarly employed emergency service providers – to include the EMTs rather than creating a new plan; however, there would need to be funding associated with the new members.
- ❖ The actuary was unable to provide an impact study due to the demographic unknowns of this group:
 - The number of volunteer EMTs impacted?
 - Their ages?
 - The amount of accumulated service credit?
 - The amount of benefit due and payable in 2017?
- ❖ There are also a number of technical issues:
 - There appears to be no reporting entity (e.g. a volunteer fire department or emergency services organization) responsible for filing a certification document regarding the members' service and training. The proposed legislation states the member themselves would file? That might be thousands of individual certificates. And we would be relying on an honor system for reporting.

- Application for retirement or disability benefits also has no certification by an “employing entity”.
 - Allowing credit for past service.
 - Section 16 – Allows credit for serving for “the majority” of the fiscal year. This conflicts with Section 8 – which states EMTs shall serve entire fiscal year.
 - Training should be documented by EMT certification and completion of required annual education classes.
 - Benefits are due and payable in 2017 without regard to the actuarial soundness of the system.
 - Initial startup expenses are not addressed.
- ❖ Establishing a new retirement involves a lot of planning and analysis. We propose that the sponsor and other proponents meet with the retirement board to discuss the issues and design a plan that is viable.
- ❖ The Board recommends a “Do Not Pass” on this legislation as drafted.